

WorkFirst Study

3000 Washington Families

WorkFirst Activities for October 2000 Recipients

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September 2002

The Washington WorkFirst Study (WFS) sample was drawn from the statewide list of adults receiving welfare assistance in October 2000 (2000 cohort). The 2000 cohort respondents were interviewed in early 2001. This report uses survey data from 1,330 interviews with the 2000 cohort.

This report describes job preparation activities and support services in WorkFirst. In addition, the effects of the Job Search Workshop, Job Skills Training, Pre-Employment Training, and Community Jobs are estimated using multivariate analysis.

Employment information for this analysis came from state Unemployment Insurance files. State administrative files provided information on TANF receipt, client activities, and support service payments. Personal and family characteristics were gathered from the WFS telephone survey.

FINDINGS:

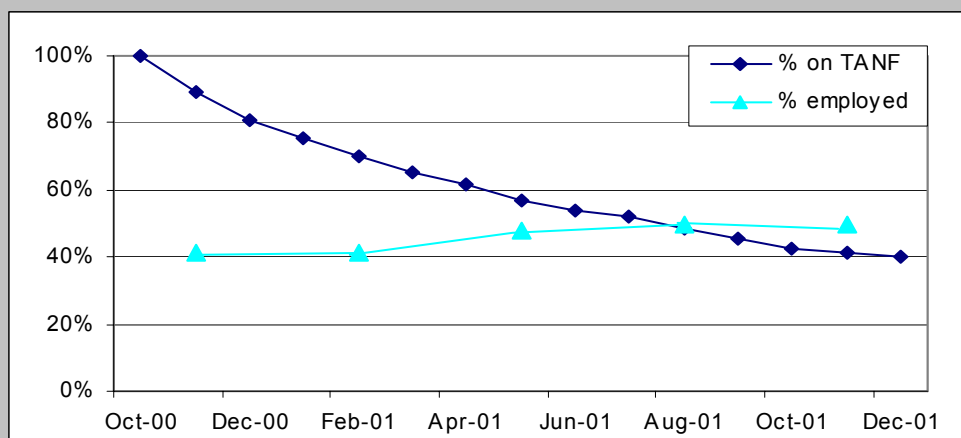
- The proportion of families receiving TANF fell steadily over time after October 2000 when all received TANF. After one year, about 40 percent of families were on TANF.
- Following October 2000, about 65 percent of those not on TANF were employed, as were about 40 percent of those on TANF.
- By the end of 2000 when all were on TANF, 45 percent had completed the Job Search and 40 percent completed the Job Search Workshop. The rates of completion steadily increased for the next year for those still on TANF.
- Fewer respondents had completed Pre-Employment Training, Community Jobs, or Job Skills Training (less than 10 percent), though the rates increased over time.
- The results suggest that the Job Search Workshop increased employment and earnings. Pre-Employment Training is also estimated to have increased earnings and possibly employment.
- Support services for adult clothing or hygiene are related to becoming employed and having higher average earnings, though the relationship may not be causal.

TANF and Employment for the 2000 Cohort

Figure 1 shows the proportion of the WFS respondents on TANF in each month since October 2000 when all received TANF. The proportion of respondents with earnings is shown for each quarter.

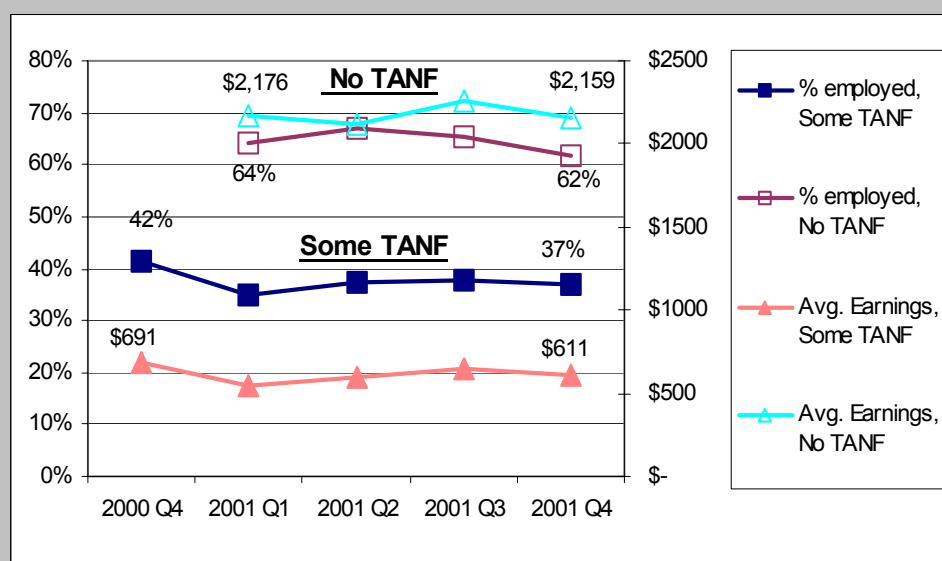
The proportion of families receiving TANF fell steadily over time. After one year, about 40 percent of families were on TANF. Over the same period, employment rose from about 40 percent of the respondents to over 50 percent.

FIGURE 1:
TANF RECEIPT
AND
EMPLOYMENT
OVER TIME



About 65 percent of those not on TANF were employed, as were about 40 percent of those on TANF sometime in a quarter (Figure 2). Average earnings for all (not just workers) was about \$2,200 per quarter for those with no TANF in the quarter and about \$650 for those receiving TANF. Most of the increases in employment and earnings came as people moved from receiving TANF to not receiving TANF.

FIGURE 2:
EMPLOYMENT
AND EARNINGS
BY TANF
RECEIPT



Patterns in WorkFirst Activities

For this analysis, we chose five activities--Job Search, Job Search Workshop, Job Skills Training, Pre-Employment Training, and Community Jobs--because they focus on job readiness and were used

by enough WFS respondents to adequately assess their impact. The activities ranged from a 1-week workshop (the Job Search Workshop) to a 9-month intensive work program (Community Jobs).

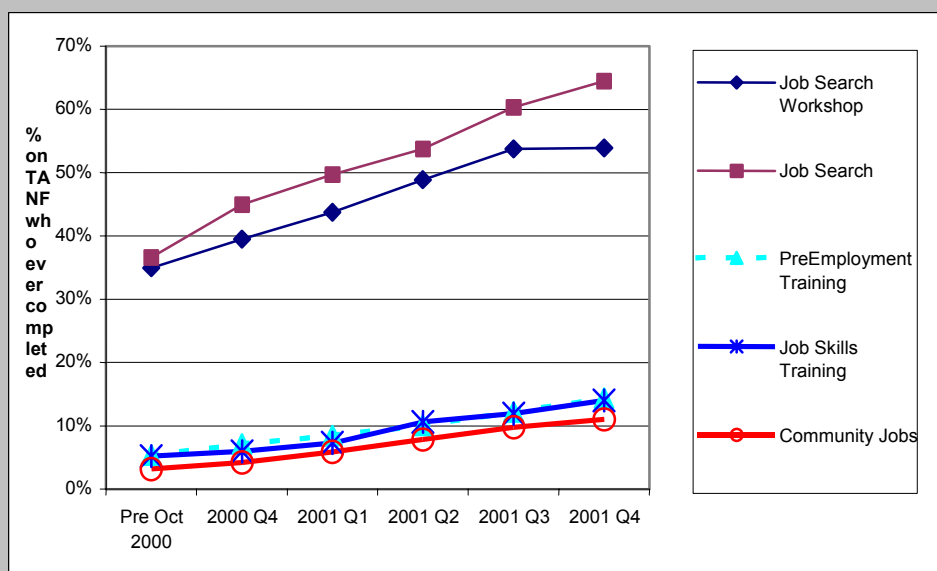
Description of WorkFirst Activities		
Job Search	Supported job search with guidance and resource rooms.	Up to 12 weeks
Job Search Workshop	Workshop to prepare clients to search for job.	1 week
Job Skills Training	Short-term skills training for specific occupation or skill.	Up to 6 weeks
Pre-Employment Training	Short-term training for specific job.	Up to 12 weeks
Community Jobs	Structured paid work program with support services.	9 months

Figure 3 shows the proportion of respondents who completed WorkFirst activities prior to October 2000 (when all received TANF) and in the four quarters that followed. In the later quarters, the completion rates are shown for respondents who received TANF at least one month out of the quarter.

About 35 percent of respondents had completed a Job Search component or the Job Search Workshop prior to October 2000. By the end of 2000 when all were on TANF, 45 percent had completed Job Search and 40 percent completed the workshop. Among those still on TANF in each quarter of 2001, the rates of completion rose steadily. By the end of 2001, about 65 percent of those still on TANF had completed Job Search and 55 percent had completed the workshop.

Fewer respondents had completed the other work-related components, though the rates increased over time. Fewer than 10 percent of those on TANF had completed Pre-Employment Training, Job Skills Training, or Community Jobs, until the third quarter of 2001 when 14 percent had completed Pre-Employment Training and Job Skills Training and 11 percent had completed Community Jobs.

FIGURE 3:
COMPLETION OF
WORKFIRST
ACTIVITIES
OVER TIME



Patterns in Support Services

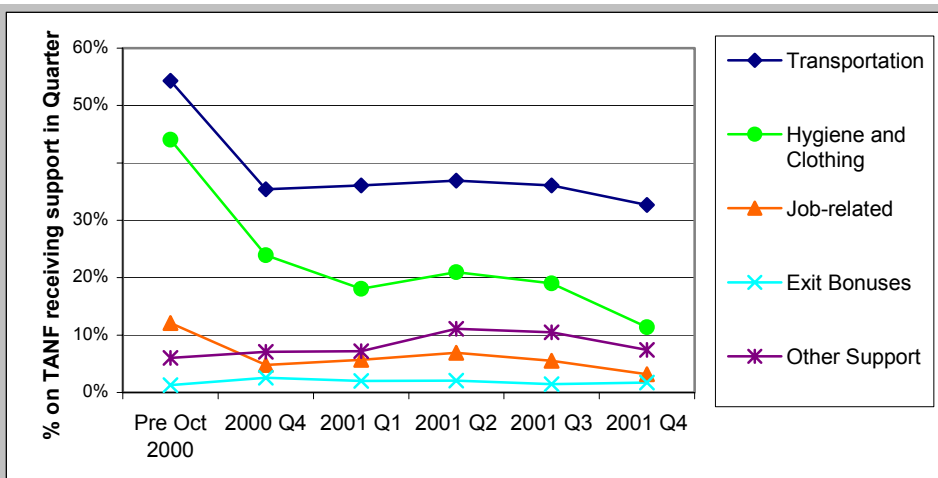
Families receive supplemental support services primarily to help them become job-ready, to acquire a job, or to maintain employment. We divided support service payments into the categories below.

Description of Support Services	
Transportation	Public transportation, gas payments, and car repair payments
Adult Clothing and Hygiene	Clothing, personal hygiene, and haircuts
Job, Education, and Training	Testing, tuition and fees, licenses, tools, and workplace accommodation
Exit Bonuses	Payments for early exit of TANF
Other	Rent, medical exams, diapers, counseling, and child's clothing

Figure 4 shows the proportion of respondents on TANF receiving support services before October 2000 and in the five quarters that followed. Prior to October 2000, about half the respondents had received support for transportation or adult clothing and hygiene, and about 10 percent had received payments for job-related expenses. Six percent had previously received other types of support and only 1 percent had received an exit bonus payment.

In the last quarter of 2000 when all respondents received TANF and in the quarters that followed, about a third of those on TANF received transportation support. Support for adult clothing and hygiene fell over time from 22 percent of those on TANF to about 10 percent by the last quarter of 2001. Support for job-related expenses and other support was received by 10 percent or less of the TANF recipients over time. In each quarter, between 1 and 3 percent of those remaining on TANF received exit bonuses.

FIGURE 4:
SUPPORT
SERVICES FOR
THOSE
REMAINING
ON TANF



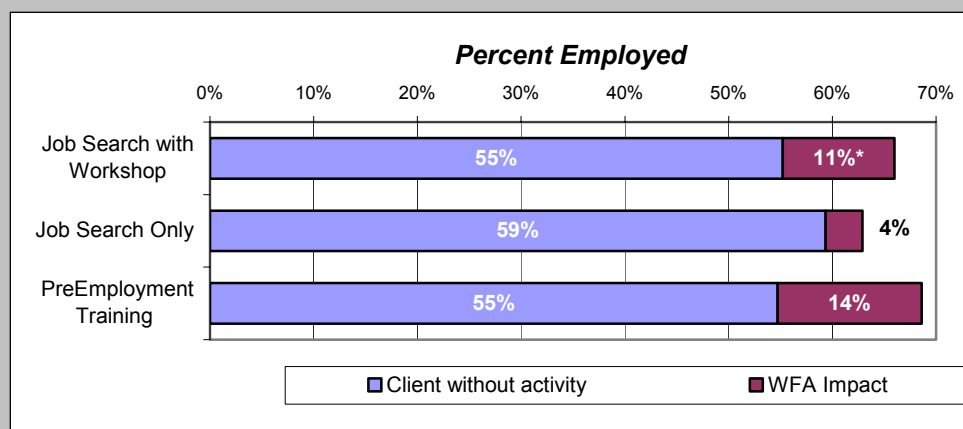
Respondents who received any payments for clothing or hygiene were more likely to be employed and have higher average earnings, though the relationship may not be causal (chart not shown). This association may reflect use of these services for those who become employed, connections between support services and other WorkFirst activities, or a causal impact furthering more employment. Payments for other types of support services were not closely linked to employment and earnings.

The Impact of WorkFirst Activities and Services on Employment and Earnings

We used multivariate analysis to account for the selection of clients into activities based on their job-readiness, the effects of multiple activities, and changes in the effects of activities over time.¹ The analysis controls for differences in past employment and earnings, demographic and personal characteristics, length of time on welfare, participation in other activities, and geographic location.

FIGURE 5:

**IMPACT OF
WORKFIRST
ACTIVITIES
ON EMPLOYMENT
IN FOURTH
QUARTER
OF 2001**

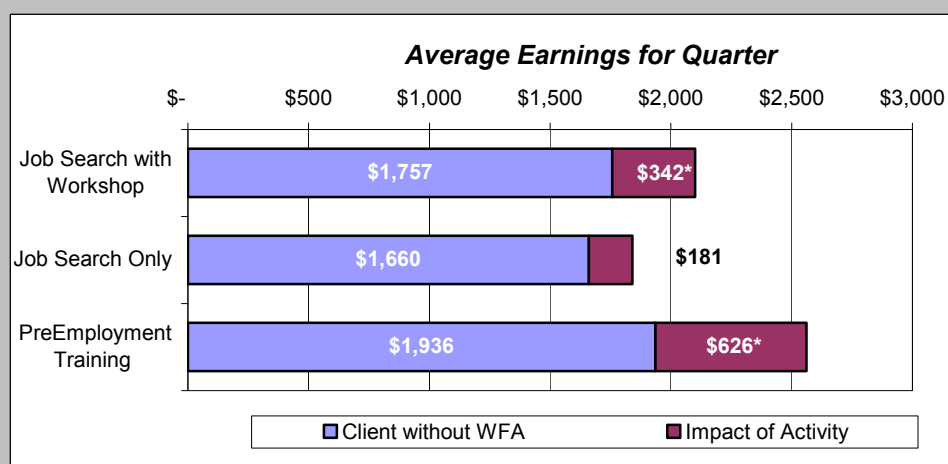


*EFFECT STATISTICALLY SIGNIFICANT AT 10 PERCENT LEVEL.

Figure 5 shows the estimated impact of WorkFirst activities completed in the first three quarters after October 2000 on employment in the last quarter of 2001 from the multivariate analysis. The results for the effects of the Job Search Workshop (with or without Job Search), Job Search without the workshop, and Pre-Employment Training are shown. The multivariate estimates of Community Jobs and Jobs Skills Training were too unstable to provide reasonable estimates. Similarly, Figure 6 shows the impact of WorkFirst activities on earnings for all respondents (not only workers).

FIGURE 6:

**IMPACT OF
WORKFIRST
ACTIVITIES ON
EARNINGS
IN FOURTH
QUARTER OF
2001**



*EFFECT STATISTICALLY SIGNIFICANT AT 10 PERCENT LEVEL.

¹ Multivariate analysis includes only women in single parent TANF cases (N=1031). Activities completed from October 2000 to September 2001 were used to assess the impact in order to limit the changes in the content of activity and study the period when most of the WFS respondents were on TANF. We tested our ability to account for prior client characteristics by assessing the relationship of these recent activities on employment in an earlier quarter (2000 third quarter).

The results suggest that the Job Search Workshop (with or without Job Search) increases employment and earnings. Pre-Employment Training is also estimated to increase earnings and possibly employment. Job Search without the Job Search Workshop in the same period was not estimated to significantly increase employment or earnings. **The direction and size of these effects are very similar to those estimated for the March 1999 cohort WFS respondents.**

These results suggest that 55 percent of those completing the Job Search Workshop would have been employed in the absence of the workshop (given their characteristics). The workshop itself was estimated to increase employment by 11 percentage points to 66 percent. Similarly, earnings for those completing the workshop are estimated to have averaged \$1,757 without the workshop and \$2,099 (\$1,757 + \$342) with the workshop.

We estimate that 55 percent of those completing Pre-Employment Training would have been employed if they had not had the training. The training is estimated to have increased employment to 69 percent, though this effect is not statistically significant ($p=.16$). Those completing Pre-Employment Training are expected to have earned \$1,936 if they had not completed the training, and to have gained \$626 from the training.